## REMARKS

Claims 1-16 remain in this application, of which Claims 1 and 14 are in independent form. The abstract has been carefully reviewed and amended as to matters of form, as required in the Office Action.

Applicants note with appreciation the indication that Claim 16 would be allowable if rewritten so as not to depend from a rejected claim, and with no change in scope. That claim has not been so rewritten because, for the reasons given below, its base claim is believed to be allowable.

Claims 1-5 and 7-16 were rejected under 35 U.S.C. § 103(a) as being obvious from U.S. Patent 6,337,929 B1 (Kajiwara et al.) in view of WO 97/18527 (Bradley et al.).

The present invention concerns a method of performing discrete wavelet transformation on an image signal. As is discussed in the specification, such transformation as conventionally performed involves substantial memory requirements, and the present invention is intended to reduce those requirements. According to the present invention, as claimed in Claim 1, an image is divided into a plurality of first blocks each consisting of (W pixels by H pixels), and wavelet transformation is performed on each of the first blocks to produce sub-frequency band blocks LL, LH, HL, and HH. Sub-frequency band blocks LL are stored so as to produce second blocks having the same size as the first blocks and each consisting of sub-frequency band blocks LL, and wavelet transformation is performed on the second blocks.

Kajiwara relates to a digital signal coding system including a Discrete

Wavelet conversion unit. Kajiwara, however, does not detail how the wavelet coefficients

are treated. Applicants submit that *Kajiwara* does not concern the specific technical problem solved by the present invention. Moreover, Applicants submit that nothing in this document would teach or suggest a step of storage similar to the third step mentioned above (storage so as to form the recited second blocks), much less the last step (the wavelet transformation on the second blocks). Even if *Kajiwara* be deemed to show formation of second blocks like those recited in Claim 1, such is not done by storage, as recited in that claim (from the Office Action, Applicants understand the Examiner to agree with them on this point). Accordingly, and for at least these reasons, Claim 1 is believed clearly to be allowable over *Kajiwara*, taken alone.

*Bradley* relates to a DWT-based compression method for very large digital images. The objects of this invention are detailed page 2, lines 14-29. It is to be noted that the specific object of the present invention is not mentioned. A DWT is effected on tiles formed in the image (page 11, lines 7-9). However, nothing has been found, or pointed out, in *Bradley* that would teach the third and fourth steps of Claim 1 (the storage that effects formation of the recited second blocks and the wavelet transformation on such blocks). Accordingly, even if *Bradley* is combined with *Kajiwara* (and even assuming that such combination would be permissible), the result would not meet the terms of Claim 1.

Independent Claim 14 is an apparatus claim corresponding to method Claim 1, and is therefore believed to be allowable for at least the same reasons as is Claim 1.

A review of the other art of record has failed to reveal anything which, in Applicants' opinion, would remedy the deficiencies of the art discussed above, as references against the independent claims herein. Those claims are therefore believed patentable over the art of record.

The other claims in this application are each dependent from one or the other of the independent claims discussed above and are therefore believed patentable for the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

In view of the foregoing amendments and remarks, Applicants respectfully request favorable reconsideration and early passage to issue of the present application.

Applicants' undersigned attorney may be reached in our New York office by telephone at (212) 218-2100. All correspondence should continue to be directed to our below listed address.

Respectfully submitted,

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